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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11 FEDERAL TRADE COMMISSION,

12 Plaintiff,

13 v.

14 TATTO, INC., et al.,

15 Defendants.
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Case No. LACV13-8912 DSF (FFMx)

**ORDER TO SHOW CAUSE RE
CIVIL CONTEMPT AND ASSET
TURNOVER**

1 This matter comes before the Court on the ex parte application by the Court-
2 Appointed Receiver and Liquidating Receiver, Thomas W. McNamara (the
3 “Receiver”), for entry of an order to show cause against non-parties (1) Jon
4 Bloomberg (“Bloomberg”); (2) Bloc, LLC (“Bloc LLC”); (3) True Merchant, Ltd.
5 (“True Merchant”); and (4) Michael Pearse (“Pearse”). Bloomberg and Bloc LLC
6 opposed the ex parte application on the grounds that ex parte relief was
7 inappropriate. Their arguments are focused entirely on the time needed to respond
8 to the underlying merits of the OSC rather than whether an OSC should issue in the
9 first place. The Court finds that it is appropriate to issue an OSC on an expedited
10 basis as the responding parties will have an ample time to respond to the merits of
11 the OSC before the Court makes a final determination.

12 Therefore, for good cause shown, the Court hereby orders as follows:

13 (1) Bloomberg, Bloc LLC, Pearse, and True Merchant are hereby ordered to
14 show cause as to why they should not be jointly and severally ordered to pay to the
15 receivership the \$192,365.52 released from Bloc Priya, LLC (“Bloc Priya”) and
16 attributable to True Merchant as identified in the Receiver’s application and
17 supporting papers;

18 (2) Bloomberg, Bloc LLC, Pearse, and True Merchant are hereby ordered to
19 show cause as to why they should not be jointly and severally ordered to pay to the
20 receivership the \$268,970.45 released from Bloc DT 1, LLC (“Bloc DT”) and
21 attributable to True Merchant as identified in the Receiver’s application and
22 supporting papers;

23 (3) Bloomberg and Bloc LLC are hereby ordered to show cause as to why
24 they should not be jointly and severally ordered to pay the Receivership the
25 \$192,365.52 owed from Bloc Priya and attributable to Miao Partners as identified
26 in the Receiver’s application and supporting papers;

27 (4) Bloomberg and Bloc LLC are hereby ordered to show cause as to why
28 they should not be jointly and severally ordered to pay the Receivership the

1 \$268,970.45 owed from Bloc DT and attributable to Miao Partners as identified in
2 the Receiver's application and supporting papers;

3 (5) Bloomberg and Bloc LLC are hereby ordered to show cause as to why
4 they should not be jointly and severally ordered to pay the Receivership the
5 \$12,683.34 owed from Bloc Priya and attributable to both Miao Partners and True
6 Merchant as identified in the Receiver's application and supporting papers;

7 (6) Bloomberg, Bloc LLC, Pearse, and True Merchant are hereby ordered to
8 show cause as to why they should not be jointly and severally ordered to pay to the
9 receivership its reasonable costs and expenses in seeking the return of the funds
10 identified above in items (1) through (5), above; and

11 (7) Bloomberg, Bloc LLC, Pearse, and True Merchant are hereby ordered to
12 show cause as to why the Court should not order that True Merchant's stock in
13 Bloc Priya be transferred to the receivership.

14 Bloomberg, Bloc, Pearse, and True Merchant shall serve and file their
15 responses to this Order no later than August 24, 2015. The Receiver shall file a
16 reply no later than August 31, 2015. The Court shall hear this matter on September
17 14, 2015 at 1:30 p.m.

18 IT IS SO ORDERED.

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20 Date: 8/7/15

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22 DALE S. FISCHER
23 UNITED STATES DISTRICT JUDGE
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